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*Severe Storm Damage
in Madagascar*

Madagascar's agricultural sector, which accounts for about one-third of GDP and more than 80 percent of exports, was recently hit hard by cyclones that left over 13,500 people homeless. The island's rice crop—the main dietary staple—suffered extensive damage, according to US Embassy reporting, along with peanut, manioc, sugar cane, and cotton fields in scattered areas. Although crop losses for coffee, cloves, and vanilla—the country's major foreign exchange earners—are not known, if they prove significant, the troublesome current account deficit will seriously deteriorate. Many irrigation networks, farm-to-market roads, agricultural storage facilities, and communications systems also have been destroyed, disrupting production and distribution activities and isolating various parts of the island. The Malagasy Government is turning to various donors, including the United States, for emergency assistance to help repair physical damage, prevent widespread food shortages, and meet public health requirements. (C)

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